

2012 Daviess County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Daviess County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Daviess County the average tax bill for all taxpayers increased by 1.2%. This tax bill rise was the result of a 6.2% increase in certified net assessed value. Tax levies of all local government units fell by 2.3%. Daviess net assessed value rose due to a big increase in farmland assessments and smaller increases in homestead, other residential, and business assessments. Falling levies and rising assessed value caused tax rates to fall in most Daviess County tax districts, which decreased tax cap credits. Credits as a percent of the levy fell by 2.7% in Daviess County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	1.2%	\$25,109,818	\$1,109,232,098	9.6%
Change		-2.3%	6.2%	-2.7%
2011	4.1%	\$25,692,712	\$1,044,379,448	12.3%

Homestead Property Taxes

Homestead property taxes decreased 1.8% on average in Daviess County in 2012. Tax rates in most Daviess County tax districts decreased. The county average tax rate fell by 7.9%. The percentage of Daviess County homesteads at their tax caps fell, from 10.7% in 2011 to 9.5% in 2012. Daviess County's local homestead credit rate decreased slightly in 2012.

Comparable Homestead Property Tax Changes in Daviess County

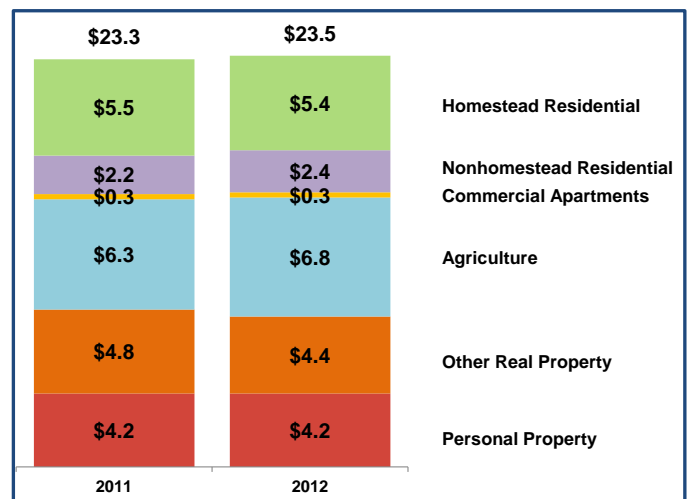
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	2,717	34.1%
No Change	485	6.1%
Lower Tax Bill	4,759	59.8%
Average Change in Tax Bill	-1.8%	
Detailed Change in Tax Bill		
20% or More	671	8.4%
10% to 19%	266	3.3%
1% to 9%	1,780	22.4%
0%	485	6.1%
-1% to -9%	3,017	37.9%
-10% to -19%	1,138	14.3%
-20% or More	604	7.6%
Total	7,961	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

Most of Daviess County's 2012 net property taxes were paid by agricultural property owners, homeowners, and business owners on their land and buildings (other real) and business equipment (personal). Net tax bills for all taxpayers increased 1.2% in Daviess County in 2012. Net taxes were higher for agriculture, nonhomestead residential property (mostly small rentals and second homes), and slightly higher for commercial apartments. Net taxes were lower for homeowners and owners of business property (other real and personal).

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates decreased in most Daviess County tax districts. The average tax rate fell by 7.9%, because levies decreased and net assessed value increased.

Levies in Daviess County decreased by 2.3%. Washington Community School Corporation experienced large decreases in its capital projects and bus replacement funds. The largest levy increase was in the county unit, due to an increase in the cumulative bridge fund.

Daviess County's total net assessed value increased 7.4% in 2012. Agricultural net assessments rose 14.6%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments rose 4.4%. Homestead assessments increased the most, after agricultural assessments.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$785,449,654	\$810,850,400	3.2%	\$296,239,105	\$316,642,665	6.9%
Other Residential	119,088,679	123,222,029	3.5%	114,974,636	119,067,414	3.6%
Ag Business/Land	331,816,546	381,079,891	14.8%	329,599,526	377,880,117	14.6%
Business Real/Personal	466,076,097	471,131,957	1.1%	388,959,644	399,672,137	2.8%
Total	\$1,702,430,976	\$1,786,284,277	4.9%	\$1,129,772,911	\$1,213,262,333	7.4%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Daviess County were \$2.5 million, or 9.6% of the levy. This was near the state average percentage of the levy of 9.2%, but more than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Daviess County's tax rates were near the state average and higher than the state median.

More than half of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 3% business real and personal property category. The largest percentage losses were in the city of Washington and the Washington Carnegie Public Library, where district tax rates were above \$3 per \$100 assessed value. The largest dollar losses were in the city of Washington, the Washington Community School Corp, and the county unit.

Tax Cap Credits by Category

Tax cap credits decreased in Daviess County in 2012 by \$789,200, or 23.6%. The percentage of the levy lost to credits fell by 2.7%. There were no major changes in state policy to affect tax cap credits in 2012. Daviess County credits decreased mainly because most district tax rates decreased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$578,891	\$471,609	-\$107,281	-18.5%
2%	1,737,660	1,343,210	-394,450	-22.7%
3%	995,906	711,204	-284,702	-28.6%
Elderly	26,704	23,937	-2,767	-10.4%
Total	\$3,339,160	\$2,549,960	-\$789,200	-23.6%
% of Levy	12.3%	9.6%		-2.7%

Daviess County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	32,385,071	24,067,079	24,624,439	25,692,712	25,109,818	-25.7%	2.3%	4.3%	-2.3%
State Unit	27,885	0	0	0	0	-100.0%			
Daviess County	9,725,088	8,657,987	8,888,109	9,359,728	9,638,118	-11.0%	2.7%	5.3%	3.0%
Barr Township	50,872	51,547	53,976	55,371	57,210	1.3%	4.7%	2.6%	3.3%
Bogard Township	22,543	23,304	23,896	24,652	25,501	3.4%	2.5%	3.2%	3.4%
Elmore Township	26,056	27,120	27,275	27,949	28,636	4.1%	0.6%	2.5%	2.5%
Harrison Township	3,592	3,705	3,771	4,003	3,656	3.1%	1.8%	6.2%	-8.7%
Madison Township	50,652	52,955	53,867	55,880	57,663	4.5%	1.7%	3.7%	3.2%
Reeve Township	12,732	13,389	13,785	14,304	14,736	5.2%	3.0%	3.8%	3.0%
Steele Township	31,921	33,278	34,074	35,329	36,445	4.3%	2.4%	3.7%	3.2%
Van Buren Township	21,819	22,514	23,096	23,751	24,578	3.2%	2.6%	2.8%	3.5%
Veale Township	24,305	24,821	25,402	26,513	20,713	2.1%	2.3%	4.4%	-21.9%
Washington Township	221,180	222,458	213,294	235,514	233,776	0.6%	-4.1%	10.4%	-0.7%
Washington Civil City	3,559,318	3,441,148	3,666,307	3,749,441	3,859,915	-3.3%	6.5%	2.3%	2.9%
Alfordsville Civil Town	5,312	5,460	5,583	5,675	6,014	2.8%	2.3%	1.6%	6.0%
Cannelburg Civil Town	9,472	8,693	9,702	10,006	10,032	-8.2%	11.6%	3.1%	0.3%
Elnora Civil Town	76,734	77,372	77,724	77,513	84,161	0.8%	0.5%	-0.3%	8.6%
Montgomery Civil Town	51,497	52,688	53,998	56,687	56,835	2.3%	2.5%	5.0%	0.3%
Odon Civil Town	168,934	171,074	173,758	181,877	186,723	1.3%	1.6%	4.7%	2.7%
Plainville Civil Town	54,527	56,023	57,324	59,922	61,681	2.7%	2.3%	4.5%	2.9%
Barr-Reeve Community School Corp	3,416,871	1,741,854	1,757,777	1,739,355	1,730,024	-49.0%	0.9%	-1.0%	-0.5%
North Daviess County School Corp	5,258,582	3,119,001	3,129,983	2,997,791	3,132,453	-40.7%	0.4%	-4.2%	4.5%
Washington Community School Corp	8,549,461	5,249,250	5,399,177	6,151,037	5,088,220	-38.6%	2.9%	13.9%	-17.3%
Odon-Winkpleck Public Library	29,515	30,140	30,825	32,377	33,405	2.1%	2.3%	5.0%	3.2%
Washington Carnegie Public Library	504,496	495,534	505,468	289,284	258,945	-1.8%	2.0%	-42.8%	-10.5%
Veale Fire District	56,282	41,483	44,693	45,682	18,495	-26.3%	7.7%	2.2%	-59.5%
Southeast Daviess Fire Protection Dist	71,046	73,033	74,176	80,071	80,273	2.8%	1.6%	7.9%	0.3%
Daviess County Solid Waste District	354,379	371,248	277,399	353,000	361,610	4.8%	-25.3%	27.3%	2.4%

Daviess County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
14001	Barr Township	1.6298	--	--	17.0114%	--	--	--	1.3525
14002	Cannelburg Town	1.9484	--	--	--	--	--	--	1.9484
14003	Montgomery Town	2.2786	--	--	31.8454%	--	--	--	1.5530
14004	Bogard Township	1.8126	--	--	15.9130%	--	--	--	1.5242
14005	Elmore Township	1.8362	--	--	48.8975%	--	--	--	0.9383
14006	Elnora Town	2.9726	--	--	23.9740%	--	--	--	2.2599
14007	Harrison Township	2.0380	--	--	6.8588%	--	--	--	1.8982
14008	Madison Township	1.8915	--	--	12.4873%	--	--	--	1.6553
14009	Odon Town	2.5731	--	--	11.2346%	--	--	--	2.2840
14010	Reeve Township	1.7537	--	--	24.6806%	--	--	--	1.3209
14011	Alfordsville Town	2.3599	--	--	--	--	--	--	2.3599
14012	Steele Township	1.8424	--	--	11.5483%	--	--	--	1.6296
14013	Plainville Town	2.7026	--	--	42.2637%	--	--	--	1.5604
14014	Van Buren Township	1.8007	--	--	51.1690%	--	--	--	0.8793
14015	Veale Township	2.0112	--	--	2.7759%	--	--	--	1.9554
14016	Washington Township	1.9799	--	--	31.5728%	--	--	--	1.3548
14017	Washington City	3.7375	--	--	8.1913%	--	--	--	3.4314

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Daviness County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	471,609	1,342,876	710,207	23,937	2,548,629	25,109,818	10.1%
<i>TIF Total</i>	0	334	997	0	1,332	1,502,638	0.1%
<i>County Total</i>	471,609	1,343,210	711,204	23,937	2,549,960	26,612,456	9.6%
Daviness County	110,844	320,406	165,110	6,845	603,206	9,638,118	6.3%
Barr Township	7	19	0	6	32	57,210	0.1%
Bogard Township	0	0	0	8	8	25,501	0.0%
Elmore Township	1	146	0	4	151	28,636	0.5%
Harrison Township	1	35	0	2	38	3,656	1.0%
Madison Township	43	409	0	35	486	57,663	0.8%
Reeve Township	4	14	0	4	22	14,736	0.1%
Steele Township	0	232	0	8	240	36,445	0.7%
Van Buren Township	0	0	0	7	7	24,578	0.0%
Veale Township	77	44	0	6	127	20,713	0.6%
Washington Township	5,239	14,243	8,019	277	27,778	233,776	11.9%
Washington Civil City	207,453	563,980	317,527	7,719	1,096,678	3,859,915	28.4%
Alfordsville Civil Town	0	219	0	34	253	6,014	4.2%
Cannelburg Civil Town	0	0	0	9	9	10,032	0.1%
Elnora Civil Town	62	9,149	0	111	9,322	84,161	11.1%
Montgomery Civil Town	0	968	0	30	998	56,835	1.8%
Odon Civil Town	1,041	9,954	0	262	11,256	186,723	6.0%
Plainville Civil Town	0	3,644	0	72	3,715	61,681	6.0%
Barr-Reeve Community School Corp	257	1,273	0	238	1,768	1,730,024	0.1%
North Daviess County School Corp	1,290	22,327	0	1,236	24,853	3,132,453	0.8%
Washington Community School Corp	127,069	345,021	192,055	6,188	670,333	5,088,220	13.2%
Odon-Winkelpleck Public Library	54	512	0	25	591	33,405	1.8%
Washington Carnegie Public Library	13,917	37,835	21,301	518	73,571	258,945	28.4%
Veale Fire District	69	39	0	5	113	18,495	0.6%
Southeast Daviess Fire Protection Dist	23	387	0	31	440	80,273	0.5%
Daviess County Solid Waste District	4,159	12,021	6,195	257	22,632	361,610	6.3%
TIF - Madison Township	0	0	0	0	0	81,645	0.0%
TIF - Washington Township	0	0	0	0	0	1,415,205	0.0%
TIF - Washington City	0	334	997	0	1,332	5,788	23.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.